

YFY Inc.

3Q24 Earnings Conference

2024/11/14

1907.TW

Disclaimer

This presentation is prepared according to the reviewed financial statements by CPA and the financial numbers hereby were based on IFRS, please refer to the published financial statements for full content.

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Financial Results

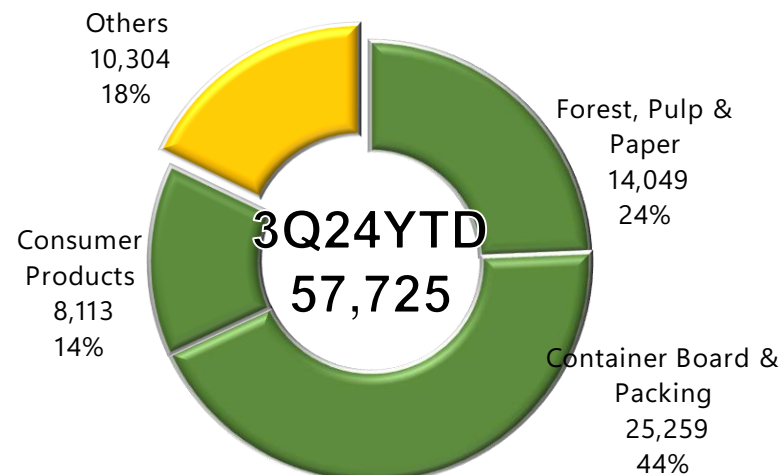
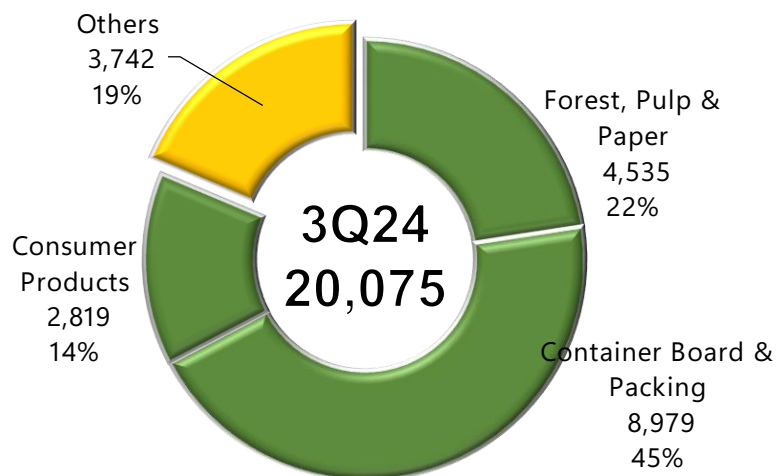
(NTD \$M)	3Q24	Y/Y	3Q24 YTD	Y/Y
Revenue	20,075	8.6%	57,725	6.6%
Gross Profit	2,736	10.4%	7,974	15.9%
Operating Profit	(13)	86.2%	89	-
None-Operating Income/Expenses	1,149	-23.5%	1,973	-14.0%
Profit Attributable to Parent Company	781	-31.1%	1,073	-19.1%
EPS (NTD)	0.47	-30.9%	0.65	-18.8%

Non-Operating Income/Expenses

(NTD \$M)	3Q24	Y/Y	3Q24 YTD	Y/Y
Profit from Equity Method	326	-16.0%	859	-19.0%
Financial Costs	(292)	7.0%	(812)	0.9%
Interest Income	121	5.2%	339	9.4%
FX Gains/Losses	(164)	-	155	-55.5%
Dividend Income	1,016	29.3%	1,052	24.9%
Other Income	141	-37.1%	380	-31.2%
Total	1,148	-23.6%	1,973	-14.0%

Revenue by Operating Segment

(NTD \$M)



Forest, Pulp and Fine Paper Business Group:

Including pulp, cultural paper, packaging paper, specialty paper, and cardboard.

Containerboard and Packaging Business Group:

Including industrial cardboard containers, colored cases, and food containers.

Consumer Product Business Group:

Household products including tissue paper, napkins, and cleaning products.

Others Business:

Products other than paper including specialty materials, RFID, packaging designs, and other services.

Performance by Operation

(NTD \$M)	3Q24	3Q24 YTD	Y/Y
Operation			
Forest, Pulp & Paper	(33)	(277)	69.4%
Containerboard & Packaging	(288)	(730)	-
Consumer Products	173	709	-5.5%
Others	135	386	-
Operating Profit	(13)	88	-
Non-operation			
Investments from Equity method	326	859	-19.0%
Dividend Income	1,016	1,051	24.8%
Subtotal of Investments from Equity Method and Dividend Income	1,342	1,910	0.4%

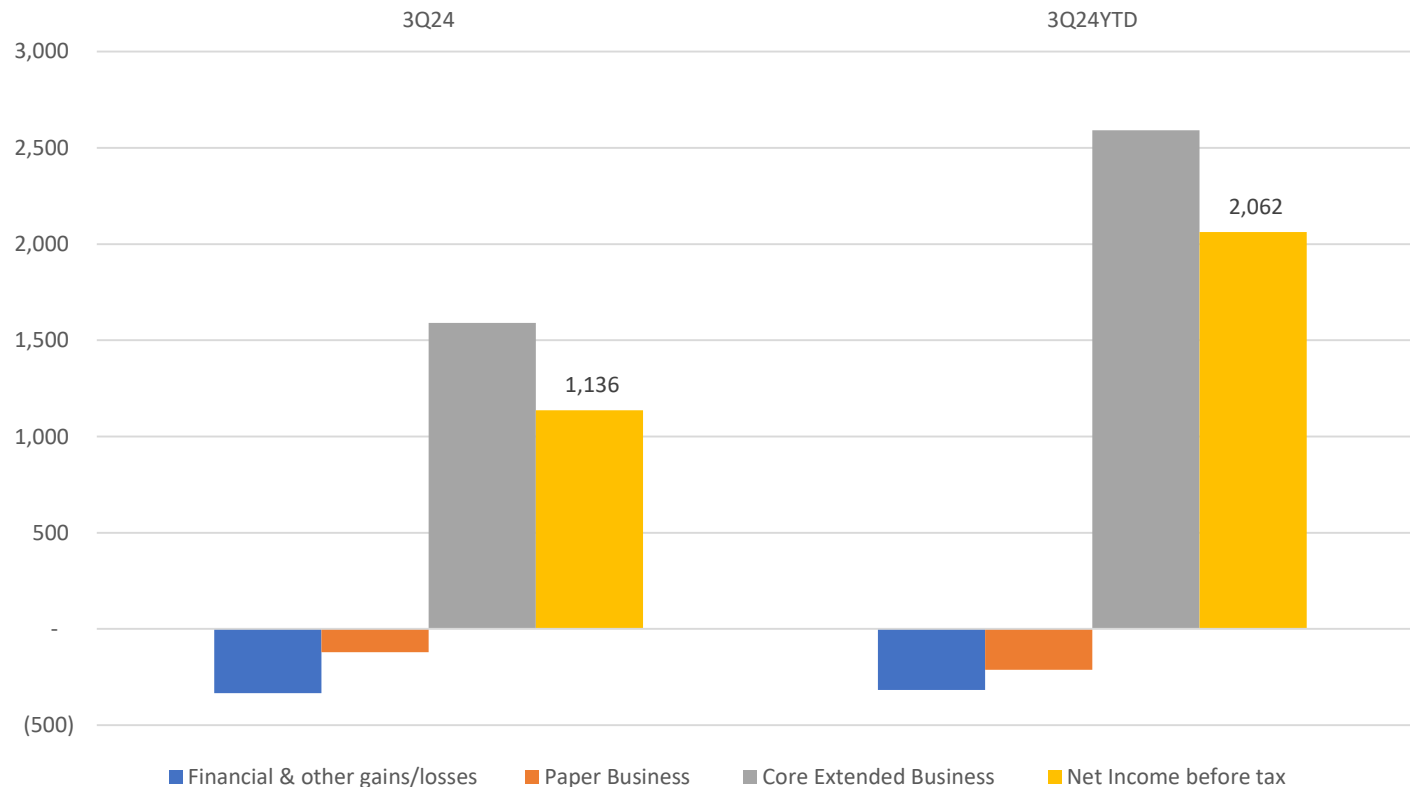
Note:

The performance of each segment was measured by operating profits of each business. Revenue and profit among segments have been adjusted with intra-segment elimination to reconcile with consolidated financial statements.

Diversified Business & Product Portfolio

The profits from Core Extended business formed a positive and sustainable trend, and those business are driving for profit optimization.

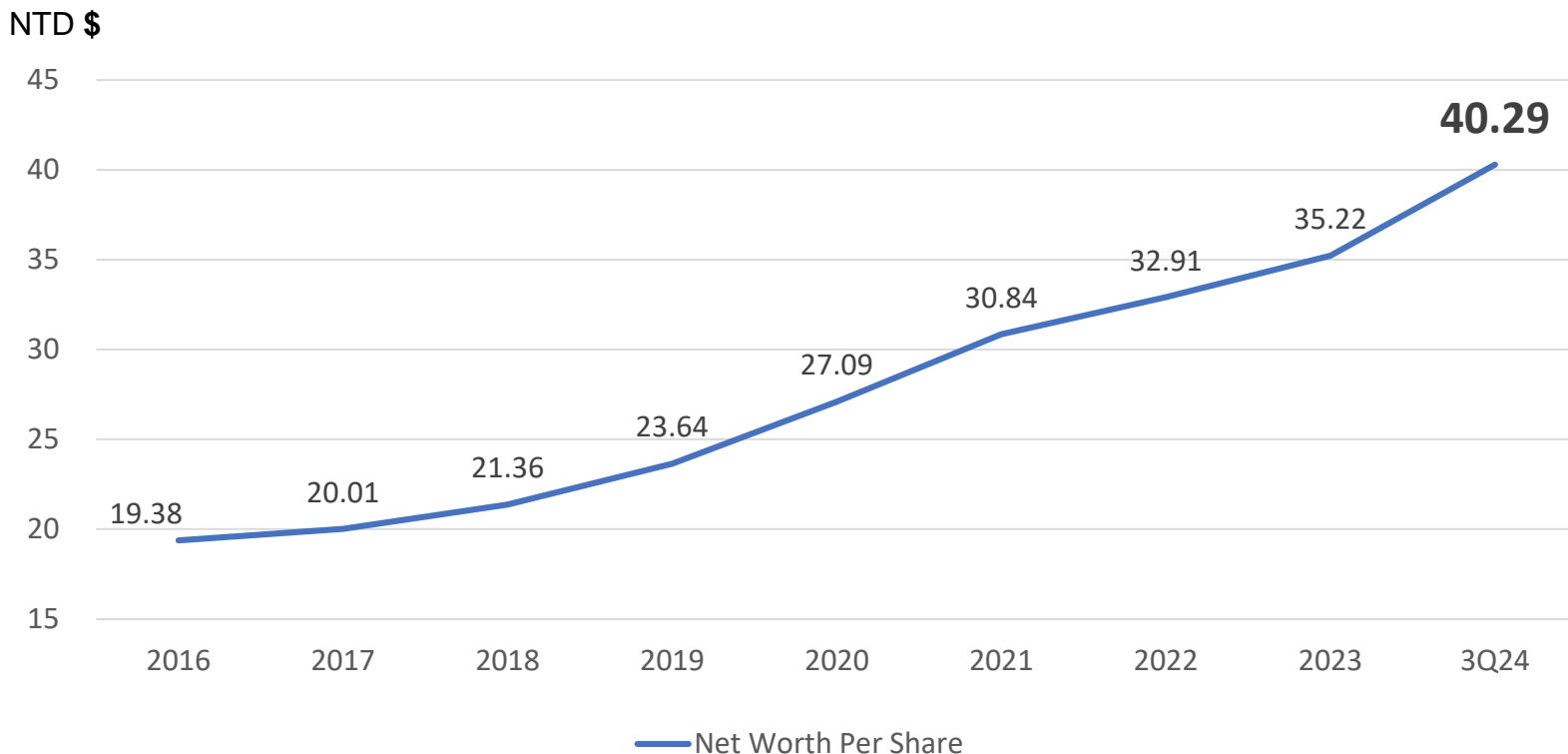
NTD M



YFY Inc. Stable Growth from Diversified Business Strategy

Growth for the 8th consecutive years, 3Q24YTD net worth per share reached NT\$40.29.

CAGR over 9%. YFY continuous expansion of diversified business as a long-term strategy to enhance the profitability stability of the product portfolio and strengthen the resilience required to face macroeconomic uncertainty.



Conclusion – 3Q24YTD Operating Performance

1. Revenue reached NT\$57.73 billion and 6.6% increased from 3Q23YTD. Growth contributed from Vietnam corrugated container, consumer goods demand, specialty & applied materials, and RFID labels.
2. Consolidated operating profit was NT\$89 million, benefiting from the growth of other business groups. The consolidated operating profit improved from the same period last year."
3. Non-operating income was approximately NT\$1.97 billion, mainly from E Ink Holdings under equity method and dividend income from SinoPac Holdings.
4. Consolidated net profit attributable to the parent company was NT\$1.07 billion. EPS of NT\$0.65.
5. Net worth reached NT\$40.29 with diversified business profit sources for optimized and positive contribution.

Business groups are transitioning towards renewable energy development.

Forest, Pulp and Paper BG



Forest, Pulp and Paper BG:

Refining lignin to increase renewable energy concentration.

Containerboard & Packaging BG



Containerboard & Packaging BG:

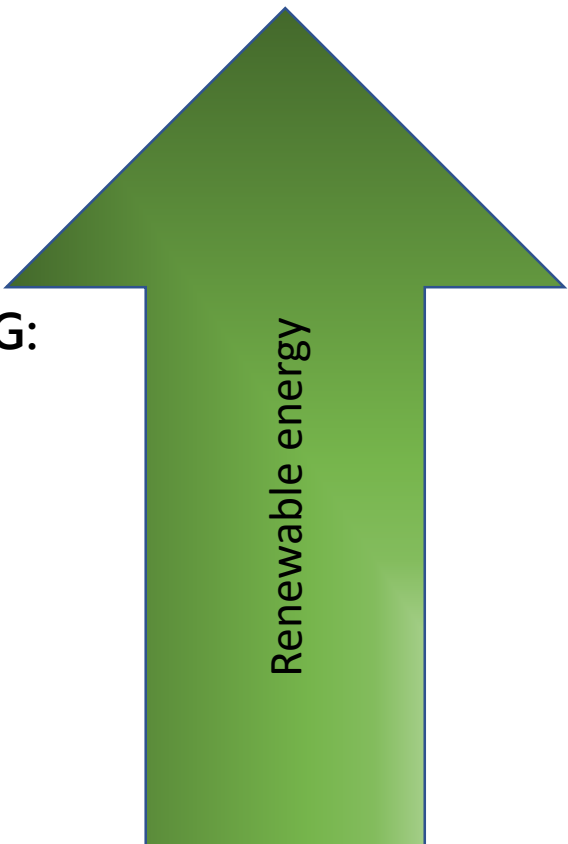
Transition to renewable energy by increasing biomass energy source.

Consumer Products BG



Consumer Products BG:

Reduce carbon emissions by replacing energy source and equipment.



Renewable energy

Conclusion – Outlook for Business Group

1. Forest, Pulp and Paper Group: Continues to expand the application of paper fibers into segment of food, clothing, housing, and transportation with principle of low-carbon production, food safety, and fully recyclable. Increase renewal energy concentration.
2. Container board and Packaging Group: Near term benefiting from seasonal demand. Long term increasing value added by vertical integration of R&D, manufacturing, and market collaboration. Currently using coal substitutes, we aim to evolve towards biomass energy as fuel, planning an energy transition for the coming year.
3. Consumer Product Group: Continues to innovate, optimize product portfolios, and enhance cooperation with strategic partners.
4. Others Business: The easy access of RFID labels will lead to new operational models; green trend will accelerate special materials demand; smart energy solutions well-balance environmental and energy challenges.
5. Equity Method & FVOCI: Demand increase from the new generation e-paper technology; dividend income will benefit from strong performance of the invested companies.

YFY Inc. will lead the group transforming into climate-tech industry on the foundation of existing operations synergy. Converting climate and environmental challenges into new business models incorporated with modern technology to ensure sustainable growth of the company, and continuously creating reasonable investment value for shareholders.



YFY 永豐餘百年慶 BETTER CHOICE

好選擇, 好日常, 好永續

2024 11.20
11.26

台北101水舞廣場



Event details

App. 1 Profit Composition of YFY Inc. Presented in Financial Statements

Consolidated Operating Profit

Investments from equity method

Dividend Income

Consolidated Net Profit

Forest, Pulp and Paper BG



中華紙漿股份有限公司
Chung Hwa Pulp Corporation

Containerboard & Packaging BG

永豐餘工業用紙

Consumer Products BG

永豐餘消費品實業

Others Group



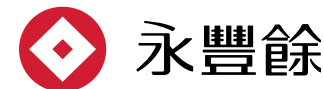
Share of Profit

Eink

Other Investments

永豐金控
SinoPac Holdings

YFY Inc.



App.2 YFY Inc.'s Diversified Investment Portfolio

Classification	Investment Portfolio	Profit and Loss Recognition Method	
		Investment Gain/Loss	Valuation Gain/Loss
Equity-method investments-subsidiary corporation	CHP、YFY Packaging、YFYCPG Shingfoong Arizon RFID Other：YFY Jupiter	Operating Profit ↓ Net Profit Net Profit of Subsidiary Company x percentage of shareholding	Other Comprehensive Income (Loss) Subsidiary's FVOCI Valuation Gain/Loss x percentage of shareholding
Equity-method investments-Affiliated Companies	E Ink.	Non-operating Income ↓ Net Profit Affiliated Companies's net profit x percentage of shareholding	Other Comprehensive Income (Loss) Affiliate's FVOCI Valuation Gain/Loss x percentage of shareholding
FVOCI Current financial assets at fair value through other comprehensive income	SinoPac Holdings	Non-operating Income ↓ Net Profit Dividends	Other Comprehensive Income (Loss) FVOCI Valuation gain/loss

Blue : Included in EPS calculation.

Green : Included in the net value calculation.
Not included in EPS.



Thank you
